GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4776
ANSWERED ON:24.08.2001
MEETING OF INTERNATIONAL COFFEE ORGANIZATION
GANGASANDRA SIDDAPPA BASAVARAJ

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India attended the meeting of the International Coffee Organisation in London;

(b) if so, the subjects discussed in the meeting of ICO;

(c) whether India has sought more time for making a detailed study of the proposal both from the technical and legal implications; and

(d) if so, the time by which final decision in this regard is likely to be taken?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI DIGVIJAY SINGH)

(a) & (b): Yes, Sir. During the Executive Board meeting of the International Coffee Organisation (ICO) held in May, 2001, the most important subject discussed was diversion of low grade coffees. In the said proposal, a study on improving the global coffee supply/demand balance through measures designed to eliminate low grade coffees from exports was discussed. Based on the discussion, the ICO adopted a resolution on quality in the Council meeting seeking co-operation of producer countries to reduce availability of low grade coffees from exports and also to continue studies on the diversion proposal.

(c) & (d): India recorded its reservations at the ICO Council meeting stating that more time was required to study the legal, technical and financial aspects of the scheme. The Coffee Board has already discussed the said issue with a cross section of the Indian coffee industry comprising exporters, traders and growers. The overall view of the industry was that since India`s grade specifications for export are quite stringent, export of inferior grade coffees was very insignificant. As such, any export restrictions on the grounds of quality are counter-productive and the market forces should only prevail.